

Amendment No. 2 to SB0096

Johnson
Signature of Sponsor

AMEND Senate Bill No. 96*

House Bill No. 94

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 1, is amended by adding the following as a new section:

56-7-136.

(a) For purposes of this section:

(1) "Cancellation" means the termination of a homeowner's insurance policy prior to the expiration of the policy period;

(2)

(A) "Claim" means an oral, written, or electronic submission for payment filed by an insured, on behalf of the insured, or by a third party whereby an insurance company accepts the submission for payment in accordance with the insurance company's reasonable submission standards; and

(B) A "claim" does not mean an inquiry by an insured or by an insurance producer on behalf of an insured;

(3) "Commissioner" means the commissioner of commerce and insurance or the commissioner's designee;

(4) "Inquiry" means any communication to an insurance company by an insured, or by an insurance producer on behalf of an insured, regarding general terms and conditions of a homeowner's insurance policy, including a

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communication concerning whether a homeowner's insurance policy provides coverage for a particular event or the process for filing a claim; and

(5) "Insurance company" shall have the same meaning as defined in § 56-1-102.

(b) No insurance company shall increase a premium or cancel a homeowner's insurance policy solely on the basis of an inquiry or inquiries by an insured regarding the insured's homeowner's insurance policy or a loss under the policy.

(c) A violation of this section shall be considered an unfair trade practice under title 56, chapter 8.

(d) The commissioner shall have the authority to promulgate rules to implement and enforce this section.

SECTION 2. The Department of Commerce and Insurance shall study whether homeowner's insurance policies issued in this state are subject to non-renewals solely on the basis of any inquiry, as defined by this act, regarding the homeowner's insurance policy or a loss under the policy, and report its findings to the Senate Commerce and Labor Committee and the House of Representatives Insurance and Banking Committee on or before January 15, 2015.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.